

PRESS RELEASE
FOR IMMEDIATE RELEASE

Terme Bancorp, Inc. Expands its Executive Team

Jeffrey C. Coyne Joins the Team as CEO of Terme Management, Inc.

Summit, Illinois – December 4, 2007 - Terme Bancorp, Inc. (the “Company”) (Pink Sheets: TEMB.PK) announced today that Jeffrey C. Coyne will become the CEO of Terme Management, Inc., the management company for its distressed asset investment and management group, Terme Capital, LLC.

It is with great pride and admiration that the Company welcomes Mr. Coyne, a Senior Lecturing Fellow at Duke University School of Law since 1995, and prior to that, a practicing attorney leading bankruptcy and creditor rights practice groups.

“Mr. Coyne will contribute expertise, strategic vision, and in-depth management expertise to our team of professionals”, said John G. Yedinak, CEO/President of Terme Bancorp. “As we begin to execute our strategies at Terme Capital, Jeff’s expertise in corporate reorganization and the successful turnaround of financially distressed companies and properties will add leadership and enhance the Company’s existing management and strategic strengths.”

Mr. Coyne was admitted to practice law in California in 1979. As a practicing attorney, he has represented banks, financial institutions, creditors, State and Federal regulators, trustees and receivers in domestic and international workouts, bankruptcies and litigations. As outside counsel to the FDIC and FSLIC he has been involved in analyzing loan portfolios, and developing and implementing collection and work-out plans. Mr. Coyne has owned, operated, managed, and been trustee or receiver for numerous businesses in various industries. He has also assisted companies with raising capital for expansion and growth.

About Terme Management and the Company:

Terme Management, Inc. is a wholly owned subsidiary of the Company that recently entered into a management agreement with Terme Capital, LLC to function as its “Manager”. All day-to-day operations of Terme Capital will be conducted by Terme Management. The Company holds a 94.2% common membership interest in Terme Capital.

Terme Capital was formed to productively participate in financially distressed debt, companies and assets. It will acquire assets and participate in financings in a variety of industries, in order to generate profits and achieve capital appreciation.

Terme Bancorp, Inc. is headquartered at 5818 S. Archer Rd. in Summit, Illinois and can be found on the Internet at <http://www.termebancorp.com>.

For further information on this release contact:

John G. Yedinak
Terme Bancorp, Inc.
jgy@termebancorp.com

(630) 774-7400